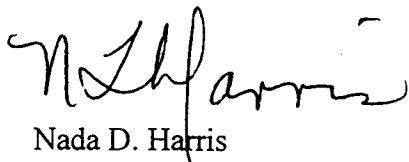


**ALLOTMENTS AND ASSIGNMENTS FROM PAY**

- 1. REASON FOR ISSUE:** This directive establishes Department policy for allotments.
- 2. SUMMARY OF CONTENTS/MAJOR CHANGES:** This issuance provides for expanded options for allotments, including allotments to collective bargaining units by non-members and to professional organizations. It also simplifies the policy.
- 3. RESPONSIBLE OFFICE:** Office of Human Resources Management (Customer Advisory & Consulting Group).
- 4. RELATED HANDBOOK:** VA Handbook 5550.3, "Allotments and Assignments from Pay."
- 5. RESCISSION:** VA Directive 5550.3, dated November 26, 1996, and Change 7 to MP-5, Part I, Chapter 550, Section C, Allotments and Assignments From Pay, dated July 21, 1986.

**CERTIFIED BY:**

**BY DIRECTION OF THE  
SECRETARY OF VETERANS AFFAIRS:**



Nada D. Harris  
Deputy Assistant Secretary for  
Information Resources Management



Eugene A. Brickhouse  
Assistant Secretary for  
Human Resources and Administration

Distribution: RPC: 5030  
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## **ALLOTMENTS AND ASSIGNMENTS FROM PAY**

**1. PURPOSE.** The purpose of this directive is to establish Department policy regarding allotments and assignments from pay.

### **2. POLICY**

a. The Department is committed to providing employees with the opportunity to assign deductions from pay for certain legal and voluntary purposes. Included in this effort are allotments for debts to the Federal Government; donations to the Combined Federal Campaign; purchase of savings bonds; savings; dues to labor organizations; membership fees for employee or professional organizations; alimony and/or child support; installment purchases from the Veterans Canteen Service; membership fees to labor organizations by nonbargaining unit members; and, contributions to political action committees.

b. Allotments for purposes other than those specified in subparagraph a. above are subject to approval by the Director of the facility responsible for processing the allotment.

c. This policy in no way is intended to authorize allotments from pay for the purpose of bill-paying or other commercial purpose. The Department reserves the right to refuse to process allotments that are contrary to law or agency policy, beyond system capacities, or that cannot be made by electronic funds transfer.

d. New allotment authorizations will not be accepted from employees on intermittent appointments or on extended leave without pay.

### **3. RESPONSIBILITIES**

a. The Deputy Assistant Secretary for Human Resources Management is responsible for issuing policy and advising management regarding allotments and assignments from pay, and determining if labor organizations meet the definition for exclusive representation.

b. The Office of Financial Management is responsible for administering the processing of allotments. This includes developing fiscal policies and procedures, establishing system requirements, and maintaining those system resources needed to process allotments.

c. Management officials at the facility level are responsible for implementation matters, developing agreements for the payment of allotments with organizations and institutions, as necessary, and determining if an allotment may be approved for processing.

d. Officials with Human Resources and/or Payroll responsibilities, whether at the local level or the Shared Service Center, will advise employees under their jurisdiction on the policies and procedures for allotments from pay.

#### 4. REFERENCES

- a. Title 5, United States Code 5514, 5516, 5517, 5520, 5521, 5525, 5527, and 7115
- b. Title 5, Code of Federal Regulations, Subpart C of Part 550.
- c. Title 31, Code of Federal Regulations, Part 209.
- d. MP-5, Part I, Chapter 711, Labor-Management Relations in the VA.
- e. Office of Personnel Management Memorandum, "Allotments to Political Action Committees," dated February 17, 1994.
- f. Treasury Financial Manual.

#### 5. DEFINITIONS

- a. **Employee.** All categories of employees, including non-U.S. citizens at the Manila (PI) Regional Office and non-appropriated fund employees of the Veterans Canteen Service, but excluding employees appointed on a without-compensation basis or fee basis.
- b. **Labor Organization.** An organization, as defined in 5 U.S.C. 7103(a)(4), that is the exclusive representative of a unit's employees, including organizations certified by the Federal Labor Relations Authority as representing at least 10 percent of a unit's employees under 5 U.S.C. 7115(c).
- c. **Employee or Professional Organization.** An organization based on employees' professional or occupational interests, or to provide financial or beneficial services.